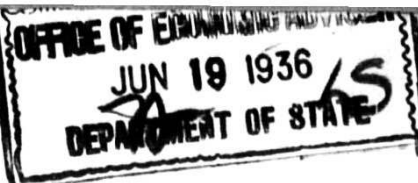


NO. 1712 Political.



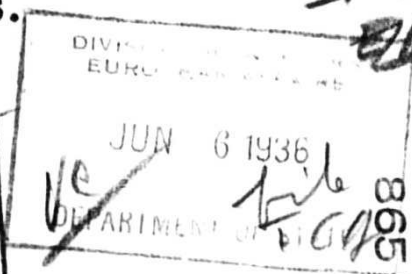
65987

AMERICAN CONSULATE

Geneva, Switzerland, May 28, 1936.



RECORDING DESK
FILE - WHB



865D.63/1

RECEIVED
DEPARTMENT OF STATE
JUN 5 1936
THE HONORABLE
THE SECRETARY OF STATE
DIVISION OF
COMMUNICATIONS
AND RECORDS

9
CTE

Common
9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-1042-1043-1044-1045-1046-1047-1048-1049-1050-1051-1052-1053-1054-1055-1056-1057-1058-1059-1060-1061-1062-1063-1064-1065-1066-1067-1068-1069-1070-1071-1072-1073-1074-1075-1076-1077-1078-1079-1080-1081-1082-1083-1084-1085-1086-1087-1088-1089-1090-1091-1092-1093-1094-1095-1096-1097-1098-1099-1100-1101-1102-1103-1104-1105-1106-1107-1108-1109-1110-1111-1112-1113-1114-1115-1116-1117-1118-1119-1120-1121-1122-1123-1124-1125-1126-1127-1128-1129-1130-1131-1132-1133-1134-1135-1136-1137-1138-1139-1140-1141-1142-1143-1144-1145-1146-1147-1148-1149-1150-1151-1152-1153-1154-1155-1156-1157-1158-1159-1160-1161-1162-1163-1164-1165-1166-1167-1168-1169-1170-1171-1172-1173-1174-1175-1176-1177-1178-1179-1180-1181-1182-1183-1184-1185-1186-1187-1188-1189-1190-1191-1192-1193-1194-1195-1196-1197-1198-1199-1200-1201-1202-1203-1204-1205-1206-1207-1208-1209-1210-1211-1212-1213-1214-1215-1216-1217-1218-1219-1220-1221-1222-1223-1224-1225-1226-1227-1228-1229-1230-1231-1232-1233-1234-1235-1236-1237-1238-1239-1240-1241-1242-1243-1244-1245-1246-1247-1248-1249-1250-1251-1252-1253-1254-1255-1256-1257-1258-1259-1260-1261-1262-1263-1264-1265-1266-1267-1268-1269-1270-1271-1272-1273-1274-1275-1276-1277-1278-1279-1280-1281-1282-1283-1284-1285-1286-1287-1288-1289-1290-1291-1292-1293-1294-1295-1296-1297-1298-1299-1300-1301-1302-1303-1304-1305-1306-1307-1308-1309-1310-1311-1312-1313-1314-1315-1316-1317-1318-1319-1320-1321-1322-1323-1324-1325-1326-1327-1328-1329-1330-1331-1332-1333-1334-1335-1336-1337-1338-1339-1340-1341-1342-1343-1344-1345-1346-1347-1348-1349-1350-1351-1352-1353-1354-1355-1356-1357-1358-1359-1360-1361-1362-1363-1364-1365-1366-1367-1368-1369-1370-1371-1372-1373-1374-1375-1376-1377-1378-1379-1380-1381-1382-1383-1384-1385-1386-1387-1388-1389-1390-1391-1392-1393-1394-1395-1396-1397-1398-1399-1400-1401-1402-1403-1404-1405-1406-1407-1408-1409-1410-1411-1412-1413-1414-1415-1416-1417-1418-1419-1420-1421-1422-1423-1424-1425-1426-1427-1428-1429-1430-1431-1432-1433-1434-1435-1436-1437-1438-1439-1440-1441-1442-1443-1444-1445-1446-1447-1448-1449-1450-1451-1452-1453-1454-1455-1456-1457-1458-1459-1460-1461-1462-1463-1464-1465-1466-1467-1468-1469-1470-1471-1472-1473-1474-1475-1476-1477-1478-1479-1480-1481-1482-1483-1484-1485-1486-1487-1488-1489-1490-1491-1492-1493-1494-1495-1496-1497-1498-1499-1500-1501-1502-1503-1504-1505-1506-1507-1508-1509-1510-1511-1512-1513-1514-1515-1516-1517-1518-1519-1520-1521-1522-1523-1524-1525-1526-1527-1528-1529-1530-1531-1532-1533-1534-1535-1536-1537-1538-1539-1540-1541-1542-1543-1544-1545-1546-1547-1548-1549-1550-1551-1552-1553-1554-1555-1556-1557-1558-1559-1560-1561-1562-1563-1564-1565-1566-1567-1568-1569-1570-1571-1572-1573-1574-1575-1576-1577-1578-1579-1580-1581-1582-1583-1584-1585-1586-1587-1588-1589-1590-1591-1592-1593-1594-1595-1596-1597-1598-1599-1600-1601-1602-1603-1604-1605-1606-1607-1608-1609-1610-1611-1612-1613-1614-1615-1616-1617-1618-1619-1620-1621-1622-1623-1624-1625-1626-1627-1628-1629-1630-1631-1632-1633-1634-1635-1636-1637-1638-1639-1640-1641-1642-1643-1644-1645-1646-1647-1648-1649-1650-1651-1652-1653-1654-1655-1656-1657-1658-1659-1660-1661-1662-1663-1664-1665-1666-1667-1668-1669-1670-1671-1672-1673-1674-1675-1676-1677-1678-1679-1680-1681-1682-1683-1684-1685-1686-1687-1688-1689-1690-1691-1692-1693-1694-1695-1696-1697-1698-1699-1700-1701-1702-1703-1704-1705-1706-1707-1708-1709-1710-1711-1712-1713-1714-1715-1716-1717-1718-1719-1720-1721-1722-1723-1724-1725-1726-1727-1728-1729-1730-1731-1732-1733-1734-1735-1736-1737-1738-1739-1740-1741-1742-1743-1744-1745-1746-1747-1748-1749-1750-1751-1752-1753-1754-1755-1756-1757-1758-1759-1760-1761-1762-1763-1764-1765-1766-1767-1768-1769-1770-1771-1772-1773-1774-1775-1776-1777-1778-1779-1780-1781-1782-1783-1784-1785-1786-1787-1788-1789-1790-1791-1792-1793-1794-1795-1796-1797-1798-1799-1800-1801-1802-1803-1804-1805-1806-1807-1808-1809-1810-1811-1812-1813-1814-1815-1816-1817-1818-1819-1820-1821-1822-1823-1824-1825-1826-1827-1828-1829-1830-1831-1832-1833-1834-1835-1836-1837-1838-1839-1840-1841-1842-1843-1844-1845-1846-1847-1848-1849-1850-1851-1852-1853-1854-1855-1856-1857-1858-1859-1860-1861-1862-1863-1864-1865-1866-1867-1868-1869-1870-1871-1872-1873-1874-1875-1876-1877-1878-1879-1880-1881-1882-1883-1884-1885-1886-1887-1888-1889-1890-1891-1892-1893-1894-1895-1896-1897-1898-1899-1900-1901-1902-1903-1904-1905-1906-1907-1908-1909-1910-1911-1912-1913-1914-1915-1916-1917-1918-1919-1920-1921-1922-1923-1924-1925-1926-1927-1928-1929-1930-1931-1932-1933-1934-1935-1936-1937-1938-1939-1940-1941-1942-1943-1944-1945-1946-1947-1948-1949-1950-1951-1952-1953-1954-1955-1956-1957-1958-1959-1960-1961-1962-1963-1964-1965-1966-1967-1968-1969-1970-1971-1972-1973-1974-1975-1976-1977-1978-1979-1980-1981-1982-1983-1984-1985-1986-1987-1988-1989-1990-1991-1992-1993-1994-1995-1996-1997-1998-1999-2000-2001-2002-2003-2004-2005-2006-2007-2008-2009-2010-2011-2012-2013-2014-2015-2016-2017-2018-2019-2020-2021-2022-2023-2024-2025-2026-2027-2028-2029-2030-2031-2032-2033-2034-2035-2036-2037-2038-2039-2040-2041-2042-2043-2044-2045-2046-2047-2048-2049-2050-2051-2052-2053-2054-2055-2056-2057-2058-2059-2060-2061-2062-2063-2064-2065-2066-2067-2068-2069-2070-2071-2072-2073-2074-2075-2076-2077-2078-2079-2080-2081-2082-2083-2084-2085-2086-2087-2088-2089-2090-2091-2092-2093-2094-2095-2096-2097-2098-2099-2100-2101-2102-2103-2104-2105-2106-2107-2108-2109-2110-2111-2112-2113-2114-2115-2116-2117-2118-2119-2120-2121-2122-2123-2124-2125-2126-2127-2128-2129-2130-2131-2132-2133-2134-2135-2136-2137-2138-2139-2140-2141-2142-2143-2144-2145-2146-2147-2148-2149-2150-2151-2152-2153-2154-2155-2156-2157-2158-2159-2160-2161-2162-2163-2164-2165-2166-2167-2168-2169-2170-2171-2172-2173-2174-2175-2176-2177-2178-2179-2180-2181-2182-2183-2184-2185-2186-2187-2188-2189-2190-2191-2192-2193-2194-2195-2196-2197-2198-2199-2200-2201-2202-2203-2204-2205-2206-2207-2208-2209-2210-2211-2212-2213-2214-2215-2216-2217-2218-2219-2220-2221-2222-2223-2224-2225-2226-2227-2228-2229-2230-2231-2232-2233-2234-2235-2236-2237-2238-2239-2240-2241-2242-2243-2244-2245-2246-2247-2248-2249-2250-2251-2252-2253-2254-2255-2256-2257-2258-2259-2260-2261-2262-2263-2264-2265-2266-2267-2268-2269-2270-2271-2272-2273-2274-2275-2276-2277-2278-2279-2280-2281-2282-2283-2284-2285-2286-2287-2288-2289-2290-2291-2292-2293-2294-2295-2296-2297-2298-2299-2300-2301-2302-2303-2304-2305-2306-2307-2308-2309-2310-2311-2312-2313-2314-2315-2316-2317-2318-2319-2320-2321-2322-2323-2324-2325-2326-2327-2328-2329-2330-2331-2332-2333-2334-2335-2336-2337-2338-2339-2340-2341-2342-2343-2344-2345-2346-2347-2348-2349-2350-2351-2352-2353-2354-2355-2356-2357-2358-2359-2360-2361-2362-2363-2364-2365-2366-2367-2368-2369-2370-2371-2372-2373-2374-2375-2376-2377-2378-2379-2380-2381-2382-2383-2384-2385-2386-2387-2388-2389-2390-2391-2392-2393-2394-2395-2396-2397-2398-2399-2400-2401-2402-2403-2404-2405-2406-2407-2408-2409-2410-2411-2412-2413-2414-2415-2416-2417-2418-2419-2420-2421-2422-2423-2424-2425-2426-2427-2428-2429-2430-2431-2432-2433-2434-2435-2436-2437-2438-2439-2440-2441-2442-2443-2444-2445-2446-2447-2448-2449-2450-2451-2452-2453-2454-2455-2456-2457-2458-2459-2460-2461-2462-2463-2464-2465-2466-2467-2468-2469-2470-2471-2472-2473-2474-2475-2476-2477-2478-2479-2480-2481-2482-2483-2484-2485-2486-2487-2488-2489-2490-2491-2492-2493-2494-2495-2496-2497-2498-2499-2500-2501-2502-2503-2504-2505-2506-2507-2508-2509-2510-2511-2512-2513-2514-2515-2516-2517-2518-2519-2520-2521-2522-2523-2524-2525-2526-2527-2528-2529-2530-2531-2532-2533-2534-2535-2536-2537-2538-2539-2540-2541-2542-2543-2544-2545-2546-2547-2548-2549-2550-2551-2552-2553-2554-2555-2556-2557-2558-2559-2560-2561-2562-2563-2564-2565-2566-2567-2568-2569-2570-2571-2572-2573-2574-2575-257

went, because they came to him from thoroughly reliable sources, including especially Professor Littnauer, of the University of Tübingen.

Respectfully yours,


Prentiss B. Gilbert

American Consul.

 Enclosure:

No.1: Translation of Memorandum.

CTE/EW

Original and four copies to Department of State.

One copy to American Embassy, Rome, Italy (by pouch).

One copy to American Legation, Bern, Switzerland.

TRANSLATION.

RAW MATERIALS IN ETHIOPIA.

(Metals, ores, coal, petroleum, etc.)

FOREWORD:

Hitherto little has been known concerning the deposits of mineral raw materials occurring in Ethiopia and indeed they have been entirely unknown on the international markets. The conclusion should not be drawn from this circumstance, however, that Ethiopia is a country without or with only slight occurrence of mineral deposits. This ignorance concerning Ethiopia's natural wealth has been due rather to the fact that its exploitation did not pay on account of the existing enormous transport difficulties. Any attempt to extract available mineral deposits and render them economically useful would have been unprofitable and fraught with loss. Ethiopia herself has never had the opportunity either financially or technically to unlock her own sources of raw materials for political purposes.

The situation now is still the same as before. Italy also, for decades, will not make the slightest use economically (that is as objects of trade on the world markets) of even the most productive coal, copper and oil deposits because the capital investments required would be so great and the existing transport difficulties and resulting transport costs so enormous that the possibility of disposing of the extracted products by sale would be entirely excluded.

Politically

Politically matters are entirely different.

Italy is in an urgent need of raw materials and for this reason will certainly not hesitate a moment to proceed with the systematic and technically complete exploitation of available sources of raw materials. Nevertheless it should never be forgotten that in such case the situation could be measured in no way by an international economic standard, but only by a political one. Thus it would be a question of a purely Italian affair.

Only after many decades, that is to say, after Ethiopia has been effectively opened up by a system of communications, could Italy venture to appear with her Ethiopian raw materials as a competitor on world markets, and this would probably depend on her ability in the meantime to keep labor wages down to a very low level and to amortize the invested capital through dictatorial measures.

According to my information in the matter, the following deposits of mineral raw materials in Ethiopia have been definitely ascertained to exist:

1. Coal.

(a) The existence of deposits of coal has been confirmed in the region of the so-called "African Rift" which joins the province of Ogaden in a westerly and north-westerly direction. - Endemic fever up to an altitude of at least 1500 meters - totally unsuited for European workers and officials.

(b) Definitely occurring in Western Abyssinia in the provinces of Kaffa, Gojam and Jimma. - Healthy

climate,

climate, merely mountain sickness; however, no transport possibilities whatever.

2. Iron and Copper.

Up until the present, known to occur only in West Abyssinia in the provinces of Sidamo, Wallega, Kaffa, and Gojam. The construction of the works for extraction alone would require the investment of so much capital that the interest thereon would amount to several times the prices to be obtained on world markets, quite apart from the enormous transport costs.

3. Platinum and Lead.

For both these minerals conditions are somewhat more favorable, although in general what has been said in regard to iron and copper holds true here.

4. Gold.

In the South West (but mostly only wash gold), in the Galla region, in the provinces of Reshiat and Tertala.

5. Magnesium and Potash.

Deposits in the Lake of Dallot (Danakil) near the Ethiopian-South Eritrean boundary. Very unhealthy climate, but in spite of that it is here that the first Italian extraction works will arise. Even before the Ethiopian war French and Italian firms had manifested a lively interest in these deposits.

6. Petroleum.

The existence of petroleum has been confirmed in the region of the "African Rift", especially in the province

of Ogaden, where trial borings undertaken in the last five years are reported to have led to very good results. But on account of the great distance from the sea (500 to 1000 kilometers) the laying down of pipe lines would occasion enormous costs. Thus economically entirely unworkable, nevertheless politically of great value to the Italians today, because for purposes of mobilization or in case of actual war the cost would play no rôle.

OTE/EW



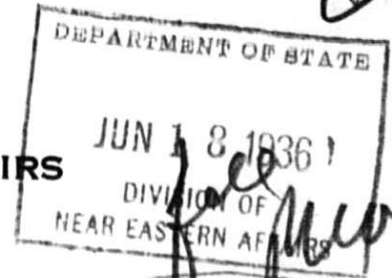
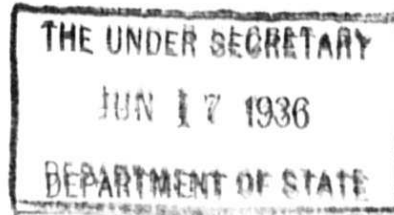
DEPARTMENT OF STATE

DIVISION OF NEAR EASTERN AFFAIRS

MEMORANDUM

MR. SECRETARY:

MR. PHILLIPS:



June 15, 1936.



The attached despatch from the Consulate at Geneva encloses a memorandum which the Consul obtained from a German business man who is familiar with the mineral resources of Ethiopia. According to this memorandum little is known regarding mineral deposits and there has never been any opportunity in the past either from a financial or technical point of view to develop Ethiopian sources of raw materials. This memorandum expresses the opinion that for some decades to come Italy will not make use economically of even the most productive coal, copper and oil deposits because of lack of capital and transport difficulties. It is pointed out that transport costs are so enormous that it would be impossible to sell at the world cost of production. However, in view of Italy's urgent needs for raw materials it may be expected that certain mineral products will be exploited. This will not be done on an international economic basis but purely as an Italian political measure.

The memorandum points out the existence of magnesium, potash,

865D.63/1

FILED

DG

potash, platinum, lead and petroleum in reasonably large quantities. The petroleum is located at from 500 to 1000 kilometers from the sea, thus involving heavy pipe line costs. Here, again, it appears that petroleum could not be produced on an economic basis. The petroleum resources, however, would be of great value politically to the Italians since for war purposes actual cost of production would not play an important part.

Walter Murray

865D.63/1

Mur

865D.63

The Hon:

Cordell Hull

Secretary of State
for U.S.A.

Washington

Dear Sir,

JUN 17 1936

DEPARTMENT OF STATE

RECEIVED
DEPARTMENT OF STATE

1936 JUN 10 AM 10 07

DIVISION OF
COMMUNICATIONS
AND RECORDS

DEPARTMENT OF STATE

10 1936

DIVISION OF
EASTERN AFFAIRS

R.M.S. 3. Am. 6/11/36

Burnside

Victoria B.C.

Canada.

June 5th 1936.

I would be most obliged
if you could give me the follow-
ing items of information, which
to date I have been unable
to secure elsewhere.

1. What is the present address
of Francis Rickett, the promoter,
late of Abyssinia.
2. How would American capital
proceed to obtain permission
to prospect in Abyssinia now
that it is under Italian
domination?
3. Would there be a chance of
getting into the country under
Japanese auspices under the
present unsettled conditions?

I am desirous of leading
a party of Canadian and
American prospectors into the

865D.63

GRC

FILED

JUN 18 1936

Ethiopian highlands, but
would like to have the position
and probable consequences
made clear from an inter-
national angle. No one
seems clear on the subject,
and it has been suggested
that I write to you.

Appreciating your attention,

I am yours sincerely

Peter J. H. Rodskron

(by Olwen Rodskron)

RECEIVED

JUN 18 1936

6/13-10:40
6/13-12:00
6/13-12:30

June 17 1936

To the American Consul General,
Victoria, British Columbia, Canada.

In his discretion, the Consul General is requested, without further report to the Department, to make appropriate acknowledgment of a letter addressed to the Secretary of State under date of June 5, 1936, by Mr. Peter J. H. Bodstrom, R.M.D.3, Burnside, Victoria, British Columbia, concerning his desire to lead a party of Canadian and American prospectors into Ethiopia, and to inform him that the Department has no information as to the present address of Mr. Francis Rickett and that it is not in a position to advise him in regard to the questions raised concerning prospecting activities in Ethiopia.

865D.63/2

NE JJD/GC

865D.63/2

WE
JUN 15 1936

JUN 16 1936

A true copy of
the original
is

565d.63

DOCUMENT FILE

NOTE

SEE 865d.01/164 FOR #1839

FROM Italy (Kirk) DATED Aug. 19, 1936
TO NAME 1-1127 ...

REGARDING: The Italian Royal Academy by way of celebrating foundation of the Empire, has instituted a competition for a prize of 50,000 lire to be awarded for best original scientific study on mineral resources of Ethiopia.

mb

865D.63/3

7

4/ 4

DOCUMENT FILE

NOTE

SEE 865d.01/247 FOR Despatch #155

FROM Italy (Phillips) DATED Jan. 13, 1937
TO NAME 1-1127 o p o

REGARDING: Mining- Italian East Africa. Arrival in Addis Ababa of a caravan, which contains five Italian mining experts and a number of natives, to take over in the name of the Italian Government and appraise all mines formerly worked by the Government of the Negus.

fp

865D.63/4

A despatch under Addis Ababa dateline of January 2nd reports that a caravan sent by the Viceroy from Addis Ababa arrived in Jubdo after an adventurous trip of eighteen days. The caravan, which contains five Italian mining experts and a number of natives, is to take over in the name of the Italian Government and appraise all mines formerly worked by the Government of the Negus. It will also prospect in the Jubdo Basin, which extends for more than 200 kilometers to Seiangul, for platinum, gold, iron, copper, and mica.

The following open letter to the Duce from the President of the newly formed "Ethiopian Mining Company" was published in the press on January 8th.

"I have the honor to inform Your Excellency that, in conformity with instructions, the Ethiopian Mining Company, a company of Italian engineers and industrialists with a capital of twenty million lire, which can be raised to fifty millions through options to be offered to the shareholders, has been formed today. The capital has been subscribed by the principal mining, commercial, and industrial interests. Among the largest subscribers are the following companies: Montecatini, Metallurgica Italiana, Fiat, Fertilizzanti Naturali, Italia, Montevecchio, Monteponi, Ilva, Zanoletti, Mineraria del Valdarno, Monte Amiata. - - -

"The Company is directed by an Italian engineer who for five years directed the prospecting in Katanga; the
adviser

adviser is an Italian engineer who was formerly director of the gold mines in Uollega and geologist for Montecatini on the Franchetti expedition into Dankalia; the personnel is all Italian.

"The First expedition of technicians and prospectors has already reached Addis Ababa, and the second is en route to Ethiopia. - - -" Donegani, President of the Ethiopian Mining Co.

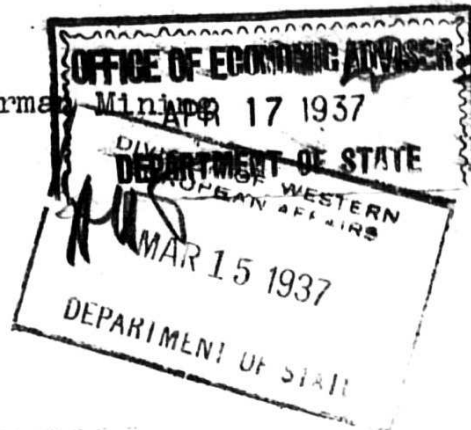


4801

LEGATION OF THE
UNITED STATES OF AMERICA
Addis Ababa, January 19, 1937.

No. 228

Subject: Creation of an Italo-German Mining
Corporation.



DEPARTMENT OF STATE

1937 MAR 3 PM 3 43

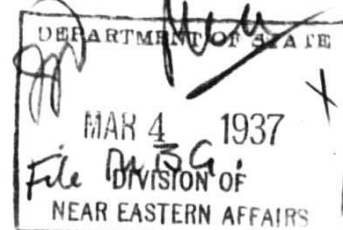
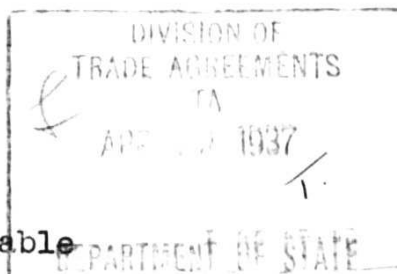
DIVISION OF
COMMUNICATIONS
AND RECORDS

FOR DISTRIBUTION - CHECK

To the Field
In U. S. :

Copy

Embassy at Rome

Commerce
minesCommercial Office (A.C/O)
ToRome
3/9/37A.C/O
RECORDING DESK
FILE - HHB

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to report that there has recently been formed at Milan a large mining company, to be known as the "Società Anonima Mineraria per l'A.O.I.", for the exploration and exploitation of the mineral resources of Ethiopia.

The initial capital is to be 70 million lire, which may subsequently be increased to 200 million lire. It is said that three important existing mining companies of Italy

865D.63/5

FP

of Italy, as well as the Italian Government, are the principal shareholders.

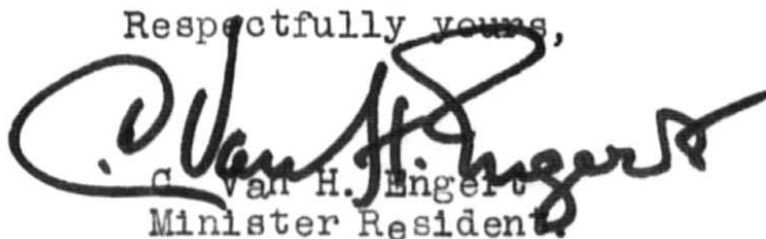
However, the most interesting feature connected with the new enterprise is the participation of German capital. In fact, I am told that the German group "Bernard Berghaus" (?) is to furnish 49 per cent of the capital, leaving a bare majority of 51 per cent to the Italian interests.

Furthermore, I understand that inasmuch as a sufficient number of experienced mining engineers is not yet available in Italy, the German group will furnish some of the technical personnel.

It is reported that after a lapse of five years the Italian interests are to have the right to purchase the German shares, but on condition that Germany is to retain the privilege of securing 25 per cent of the mineral output of the company on especially favorable terms.

It is difficult to obtain in Addis Ababa complete information regarding the organization of this mining company, but further details will perhaps reach the Department from the Embassy or the Consulates in Italy.

Respectfully yours,


C. Van H. Engert
Minister Resident

File No. 863

CVHE/rlh

Copy for Embassy, Rome.

DOCUMENT FILE

NOTE

SEE 865d.01/262 FOR Despatch #233

FROM Italy (..... Phillips) DATED Feb. 24, 1937
TO NAME 1-1127 o p o

REGARDING: Industrial and economic development- Italian East Africa.
Formation of an Italo- German mining company. Establishment of
The East Africa Mining Administration.

Industrial and Economic Development.

By Royal Decree-law No. 2331, published in the OFFICIAL GAZETTE of January 30, 1937, a Government organization entitled "The East Africa Mining Administration" ("A.M.A.O.") was established, under the control of the Ministry of Colonies, for the purpose of prospecting and mining mineral ores in Italian East Africa. Its headquarters will be located in Addis Ababa and it is authorized to establish branches in each Government. (See enclosed Report No. 15,763 of February 5, 1937 by the Military Attaché).

On January 19th the press announced that an Italo-German mining company had been formed with an original capital of fifty million lire, which may later be increased to two hundred millions. The German share consists of 49% of the stock and the Italian, 51 %. While Italy has the right to purchase the German holdings after five years, German industry will retain an option for 25% of the company's..

pany's production under preferential terms. The company will prospect principally for coal, iron, copper, and lead, in the Uollega region and to the east and west of Harrar. (See enclosed Report No. 15,760 of January 26, 1937, by the Military Attaché).

On February 24th the press reported that a prospecting mission financed by the new Italo-German "East Africa Mining Company" had sailed from Naples for Massaua in the SS "Colombo." The mission, which is headed by Senator Cattaneo, consists of eleven German and four Italian mining experts.

7

DOCUMENT FILE

NOTE

SEE 865d.01/281 FOR #336

FROM Italy (Kirk) DATED Apr. 25. 1937
TO NAME 1-1137 GPO

REGARDING:

Italian and foreign mining concerns in Ethiopia. Announcement that the Company for Ethiopian Enterprises has been entrusted with control over -. The Company will have the duty of coordinating, controlling and giving power to the activities which these companies will be called upon to carry on.

ge

865D.63/7

GMB

DOCUMENT FILE

NOTE

SEE 865d.01/290 FOR Despatch #383

FROM Italy (Phillips) DATED May 28, 1937
TO NAME 1-1127 GPO

REGARDING: Mining- Italian East Africa.

5. Mining. These projects include the construction of plants and the purchase of machinery to operate the mines under the direct control of the State, i. e. those administered by the East Africa Mining Corporation, which are most promising.

fp

865D.63/8

GML

DOCUMENT FILE

NOTE

SEE 865d.00/34 FOR Report #44

FROM Naples (McCloud) DATED April 28, 1938
TO NAME 1-1127 o f o

REGARDING: Mining -- Italian East Africa.
Activities of the C.O.M.I.N.A. (Mining Company of
Ethiopia) in conducting geological surveys.
The Societa Prasso, S.A.P.I.F., and S.M.I.T. are
engaged in mining developments in Uollega and
Beni Sciangul areas.

lec

865D.63/9

7

865d.63
D) Mining. The "C.O.M.I.N.A." (Mining Company of Ethiopia) is said to be actively engaged in conducting geological surveys. During the past year the company's working capital is said to have been increased from 20 to 60 million lire, subscriptions being made by the more important Italian mining companies and Italian importers of mineral products.

Survey operations are carried on under five permits obtained from the Ministry for Italian Africa. Some 50 technicians, directing the activities of ten groups composed of several hundred natives are at work. At their disposition have been placed a number of automobiles and trucks and about 400 beasts of burden.

The Company has set up a modern chemical laboratory at Addis Abeba and two workshops at Asmara. In several of the zones under study, villages have been built in the hope that they will develop into important future research centers. Near them land has been set aside for planned agricultural development so that nearby food supplies will be readily available to future residents.

By March 1st of this year work finished was reported to be: preliminary surveys over some 18,000 sq. kilometers and the opening, through virgin forests, of approximately 250 kilometers of roads and paths. Covering these areas about 60 zoological and topographical maps were prepared. It is expected that the entire projected survey of these zones will be completed during the present year.

The cost of the undertaking thus far has been approximately six million lire. According to a seemingly reliable source, "fifty percent of the eventual profits realized by the "C.O.M.I.N.A." will go to the State (Italy)".

Another observer of mining activities in Ethiopia reports the following simultaneous developments: in Uollega and Beni Seiangul, said to be two of the most interesting mining areas, three organizations are engaged: (1) Società Prasso (Société Minière des Concessions Prasso en Abyssinie), founded in 1926; (2) S.A.P.I.F. (Società Anonima per Imprese Etiopiche) founded in 1926, for economic penetration in Ethiopia; and (3) S.M.I.T. (Società Mineraria Italo-Tedesca), of recent origin.

Their operations involving actual mining and mining colonization are being carried on throughout an area of some 30,000 sq. kilometers. Some hundred engineers and technicians are directing from 1,000 to 4,000 native workmen, - the number depending upon favorable weather conditions. The present problem seems to be that of obtaining enough natives to carry on the work. Apparently, to attain this end attractive offers as to wages and housing conditions are made. Approximately 300 tons of mining materials and instruments (mostly of Italian manufacture) destined for exploitation of gold and platinum ore deposits have been shipped to Jubdo.

Intensive activities looking toward immediate profits are in progress over some estimated 65 million cubic meters of platinum ore deposits, veins of gold quartz and alluvial soil containing gold.

The three concerns mentioned above are also authorized to collect gold from native prospectors in their respective concessions. To this end some 8 to 10 thousand natives are being encouraged to prospect by offering them the necessary tools and implements at reduced price and by providing them with foodstuffs and medical attention.

It has been proposed that the firm "S.A.P.I.E." increase its capital from 12 to 35 million lire.

DOCUMENT FILE

NOTE

SEE 121.5665/218 FOR Tel #310, noon

FROM Italy (Phillips) DATED Oct. 21, 1938
TO NAME 1-1127 ***

REGARDING: Assistant Commercial Attache Hooper has opportunity to visit Ethiopia in company of American engineer in employ of important Italian mining interests. Recommends that he be granted authority to make this trip.

✓

VM

865D.63/10 10

865D.63

DOCUMENT FILE

NOTE

SEE 865.60/19 FOR #402

FROM Milan (Sholes) DATED Dec. 20, 1938
TO NAME 1-1127 ***

REGARDING:

Further concessions made to the Germans in Ethiopia proper by the Italians; Although confirmation of- has not been possible, it is known that many German mining engineers and technicians are active in that country.

mb

865D.63/11

Central File: Decimal File 865D.63, Internal Affairs Of States, Animal Husbandry., Italian East Africa, Wild Animals. Game Laws., May 28, 1936 - December 20, 1938. May 28, 1936 - December 20, 1938. MS European Colonialism in the Early 20th Century. National Archives (United States). Archives Unbound, link.gale.com%2Fapps%2Fdoc%2FSC5109727772%2FGDSC%3Fu%3Domni%26sid%3Dbbookmark-GDSC. Accessed 18 June 2025.